

# **ACQUISITION APPRAISAL SALIENT INFORMATION**

## **Property Rights Appraised**

Unless specified otherwise in this report, the property rights appraised constitute the fee simple interest.

## **Date of Value**

The effective date of the value opinion for the subject property is specified on page 1 herein.

## **Competence of Appraiser**

The appraiser has both the knowledge and experience required to competently perform this appraisal.

## **Purpose of the Appraisal**

The purpose of this appraisal is to: (1) estimate the Fair Market Value of the subject property in the Before Situation; (2) estimate the Fair Market Value of the subject property in the After Situation, assuming the proposed project is completed; (3) allocate the damages and/or special benefits, if any, to the remaining real property and property rights.

## **Use of the Appraisal**

This appraisal is to be used to provide information to the client, the Washington State Department of Transportation, as a basis for acquiring the portion of the subject property needed for the proposed project.

## **Scope of the Appraisal**

The scope of the investigation and analysis, as well as the geographical area and time span searched for market data, is described in the valuation section of the body of this appraisal. There are three basic, traditional approaches to the estimation of Fair Market Value: The Cost Approach, the Income Capitalization Approach, and the Market or Direct Sales Comparison Approach. Of these, only the Direct Sales Comparison Approach is employed herein because it is market typical for the subject property whereas the other approaches are not.

## **Definition of Fair Market Value**

“Fair Market Value” is the amount in cash which a well-informed buyer, willing but not obliged to buy the property, would pay, and which a well-informed seller, willing but not obligated to sell it would accept, taking into consideration all uses to which the property is adapted or may be reasonably adaptable. (Washington Pattern Instruction 150.08)

## **Definition of Highest and Best Use**

That reasonable and probable use that supports the highest present Fair Market Value as of the effective date of the appraisal. The four criteria the highest and best use must meet are: (1) legal permissibility; (2) physical possibility; (3) financial feasibility, and (4) maximum profitability.

## **Definition of the Larger Parcel**

In condemnation, the portion of a property that has unity of ownership, contiguity, and unity of use, the three conditions that establish the larger parcel for the consideration of severance damages. Also known as the “parent parcel”.

## **Definition of Cash Equivalent**

A price expressed in terms of cash (money) as distinguished from a price which is expressed all or partly in terms of the face amount of notes or other securities which cannot be sold at their face amount. Market data in this appraisal are compared to the subject on an all cash basis to satisfy the definition of Fair Market Value.

Appraiser:

Parcel:

Page